



Tom Tindall
Director

COUNTY OF LOS ANGELES
Internal Services Department

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To enrich lives through effective and caring service.

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February 3, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

ADOPTED
BOARD OF SUPERVISORS

23

FEB 03 2009

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**CLEAN FUEL PROGRAM BOARD POLICY REVISION
(ALL DISTRICTS -3 VOTES)**

SUBJECT

Approve the revised Clean Fuel Program Board Policy 3.020 as approved by the Audit Committee to include Compressed Natural Gas and other alternate fuel vehicles.

IT IS RECOMMENDED THAT YOUR BOARD:

Approve the revised Board Policy 3.020, Clean Fuel Program Policy (attached), which expands the program to include Compressed Natural Gas (CNG) and other alternate fuel powered non-emergency vehicles and trucks, and medium to heavy vehicles.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On September 25, 2007, the Board approved a motion to have a work group of County departments examine the feasibility for expanded use of compressed natural gas (CNG) vehicles in County operations with special emphasis on buses, trucks, and waste collection vehicles. The work group determined that the expanded use of CNG and other alternate fuels was feasible for non-emergency County operations and recommended revising the Board's Clean Fuel Program Policy to incorporate changes to the policy. The Clean Fuel Program Policy was revised, and approved by the Audit Committee on August 28, 2008.

Implementation of Strategic Plan Goals

Approval of the revised Board Policy is consistent with the County's Strategic Plan Goal No. 3 Organizational Effectiveness. Furthering the County's transition to cleaner burning vehicles improves the air quality in the southern California basin, and ensures compliance with South Coast Air Quality Management District (SCAQMD) Fleet Rules.

FISCAL IMPACT/FINANCING

Based on the volatility of the market in both vehicle and fuel purchases, projecting the fiscal impact in complying with the SCAQMD Fleet rules is extremely challenging, and County Departments must consider all factors and budget accordingly for vehicle replacement through the annual budget process. While alternative fuel vehicles may be more expensive at purchase, the operational costs may or may not result in an increase to Net County Cost. For example, during most of 2008, gasoline prices steadily increased approaching \$5 per gallon while CNG was priced at the equivalent of about \$3 per gallon. Currently, the price per gallon of gasoline is under \$2.00 while the CNG equivalent is just above \$1.00 per gallon.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Based on SCAQMD Fleet Rules, (1186.1 and 1191-1196), the County, as a public fleet operator, must acquire vehicles with alternative-fuel (e.g., CNG, propane, etc.) or low-emitting gasoline engines when replacing non-emergency vehicles.

The County work group, convened as a result of the September 25, 2007 Board motion, concluded that it was feasible to expand the use of CNG vehicle in non-emergency County operations, especially in the area of heavier, industrial vehicles. The work group, chaired by the Chief Executive Office, included representatives from the Internal Services Department, Sheriff's Department, Probation, and the Departments of Public Works, Community and Senior Services, and Health Services.

In an effort to expand the availability of CNG fueling sites for County vehicles, ISD is in the process of negotiating a Memorandum of Understanding with the Metropolitan Transit Authority (MTA) to utilize their CNG fueling sites.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

County operations and services will not be impacted. Alternate fuels (e.g. compressed natural gas, propane, etc.) help protect the environment and represent an environmentally friendlier substitutes to gasoline or diesel fuel. They offer reduced emissions, particularly carbon monoxide and nitrogen oxide, which are contributors to greenhouse gases, smog, and acid rain.

CONCLUSION

Upon approval, the Executive Officer, Board of Supervisors, is requested to return one adopted stamped Board letter to the Board Order to the Director of the Internal Services Department and the Chief Executive Office.

Respectfully submitted,

A handwritten signature in black ink that reads "Tom Tindall". The signature is written in a cursive, flowing style.

Tom Tindall
Director

TT:JS:MN

Attachments

c: Chief Executive Officer
Executive Officer, Board of Supervisors
County Counsel